

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: PUBLIC WORKS - AIRPORT

DATE: JANUARY 29, 2009

COMMITTEE MEMBERS PRESENT:

SUPERVISORS BELDEN
BENTLEY
TESSIER
STEC
CHAMPAGNE
TAYLOR
PITKIN

OTHERS PRESENT:

WILLIAM LAMY, SUPERINTENDENT OF PUBLIC WORKS
DON DEGRW, AIRPORT MANAGER
FREDERICK MONROE, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ATTORNEY
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISORS GERAGHTY
SIMMES
STRAINER

COMMITTEE MEMBERS ABSENT:

SUPERVISORS MERLINO
GOODSPEED

RICH SCHERMERHORN, FIXED BASE OPERATOR
MATT EMMENS, RESIDENT OF THE TOWN OF LAKE GEORGE
TOM CLEMENTS, LEGAL COUNSEL FOR MATT EMMENS
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

Mr. Belden called the meeting of the Public Works Committee to order at 11:15 a.m.

Privilege of the floor was extended to Don DeGraw, Airport Manager, who distributed copies of the agenda to the Committee members, a copy of which is also on file with the minutes.

Commencing with the New Business portion of the agenda, Mr. DeGraw advised that Agenda Item 2 pertained to a request from Matt Emmens, a partner in the two 10-bay t-hangar structures proposed by LSL T-Hangars, LLC, to address the Committee respective to his concerns with the County's property lease agreement.

Mr. Emmens, who was introduced by his legal counsel, Tom Clements, thanked the Committee for the opportunity to speak with them. He distributed copies of a document he had developed which outlined the issues he wished to discuss, as well as provided a brief accounting of his experience with other similar t-hangar projects; *a copy of the document is on file with the minutes*. Mr. Emmens asked the Committee members to take a moment and peruse his submission, subsequent to which he would answer any questions presented to him.

Mr. Emmens stated that he was a private citizen who was not involved in the construction business but was an avid flier who supported general aviation and had partnered in many other t-hangar projects based in other areas. He noted that the addition of t-hangars was good for the community as they drew new aircrafts and visitors to airports, allowed increased access to vacation properties and increased income to the FBO through fuel sales, all of which ultimately benefitted the County.

Referring to the document he had distributed, Mr. Emmens said that there were five major issues with the County's land lease agreement which kept the arrangement from being attractive from his perspective and he outlined them as follows:

1. 30-year Term

Mr. Emmens advised that gaining loan approval for a project such as this was difficult because many financial

institutions required a 50% downpayment and long-term property leases, the shortest of which seemed to be a 50-year term. He said that if the lease was extended to allow for a longer term, he would have a better chance of securing a bank loan to fund the t-hangar project, allowing for construction to proceed. Mr. Emmens stated that he did not intend for this to be a money making venture, but rather to produce a positive cash flow that would lead to the recouping of the funds funneled into the project. He noted that the financial figures associated with the t-hangar project under the current terms were not attractive, especially in light of the current financial state of the Country. Mr. Emmens cited that there were 40% more aircraft for sale currently than there had been one year ago, caused initially by rising gas prices and currently by a declining economy.

2. Premium Construction Costs

Because he was not involved in the construction business, Mr. Emmens advised that he would be forced to pay premium or "mark-up" costs to complete the project as he would have to hire contractors to do the work.

3. Additional Costs

Mr. Emmens stated that additional costs were not included in the current project estimates; therefore, he said, there were a number of unknowns within the current plans regarding the "five foot gap" issue. Additional site work might also be required to meet current water run-off or environmental requirements, he noted.

4. Modification of Hangar Design

Modification of the initial hangar design might be required, Mr. Emmens advised, because his personal aircraft was a twin turbo prop model which required wider doors and a higher opening for its t-hangar. He said that they might have to combine two t-hangars to keep the same footprint, or enlarge the footprint slightly on one end, in order to accommodate the plane.

5. Removal of Foundation

Mr. Emmens stated that he had never before seen this requirement in any of the t-hangar projects he had been involved with and it seemed to be an unreasonable request.

Mr. Stec said he felt that many of the items listed could easily be accommodated and he asked if there was a specific reason why the County would prefer not to offer a longer lease term. Paul Dusek, County Attorney, apprised that there were already land leases in place at the Airport with 30-year terms and they had continued to use this term in order to standardize the lease lengths offered. He added that he had recommended the continuation of this term for many reasons, one of those being FAA (Federal Aviation Administration) compliance. Mr. Dusek cautioned that altering the term for the LSL T-Hangars, LLC lease might require the terms for other existing leases to be amended as well. He noted that the 30-year term had been used successfully thus far without complaint and he cited that Rich Schermerhorn, FBO, had four hangars in place with the same lease term, as did ESMI who recently built a t-hangar under the same lease terms.

Mr. Dusek advised that the statute requiring the removal of foundation had been included under the premise that the t-hangers constructed might not be useable at the end of the 30-year lease term at which point the County would have to pay for either the rebuilding of the structure or the removal and ground leveling at their own cost. He noted that the five foot gap inclusion had been designed to allow the owner of the t-hangar the ability to service the hangar all the way around the building, as well as to allow the ability to address roof drainage issues and to define

the area between where the public airport property ended and the privately leased property began. Once again, Mr. Dusek said, these were provisions included in all other property leases for which no opposition had been voiced by other lessees.

With respect to the modification of t-hangar design, Mr. Dusek stated that he did not feel this would be an issue as the design could be altered to tailor the needs of the builder. However, he said, if the Committee desired to alter the leasing practices used to address any of these issues, he suggested that they refrain from doing so immediately and take the time to research what the implications of the changes would be on the existing leases.

Mr. Champagne entered the meeting at 11:25 a.m.

Mr. Dusek stated that as he understood the issue, financial institutions were willing to loan money based on the 30-year lease term and Mr. Emmens said this was correct; however, he said, it became a problem later in the loan as the period of time they were willing to extend the loan would be commensurate with the term of the lease.

Mr. Stec suggested that the lease be structured differently to allow renewal options to be extended earlier in the lease, rather than waiting until the end of the term. For instance, he stated, a 30-year extension could be offered after holding the lease for only 10 years, thereby alleviating the financing issues faced in obtaining and maintaining bank loans with reasonable terms and refinancing options. Mr. Dusek stated that although the current lease structure offered a 10-year extension at the close of the 30-year term, this provision could be altered to allow for earlier extensions as per Mr. Stec's suggestion. He added that this option could be included for all other existing land leases and would be much simpler to implement than it would be to revise the terms of each.

When asked if altering the lease structure to allow for earlier extension of terms would alleviate issues in securing financing Mr. Emmens replied affirmatively. He added that this was his largest concern with the lease structure. Mr. Emmens apprised that in order to recover his investment in the t-hangar construction over a five-year term, a \$350 monthly rental fee would have to be charged, which he did not feel was feasible. He added that the ability to gain better financing terms and rates for bank loans would assist him in regaining his investment, along with the hope that the t-hangars constructed would be quickly filled by renting customers.

Mr. Tessier stated that in the past the County had declined the opportunity to gain grant funding to construct t-hangars at the Airport as initially public interest in renting the t-hangars had decreased when it was learned that the rental rate would be \$300 per month. Because of the lack of interest based on rental prices, Mr. Tessier said that the County had declined to accept the grant funds and had not continued with plans to construct t-hangars; he added that he was concerned this would become the issue with the t-hangar project in which Mr. Emmens was involved. He suggested that if Mr. Emmens was seeking t-hangar space for his own private aircraft he should consider leasing property for himself and building a private t-hangar to suit his needs. Mr. Emmens responded that he was certainly interested in this option and questioned the length of time it would take for the land lease to be approved. Mr. Dusek apprised that a public hearing was necessary for approval of the lease and could be scheduled for a future Board meeting once the lease process was started; he added that a decision on the lease would be made at that meeting depending on the results of the public hearing. Mr. Dusek asked Mr. DeGraw if there were lease sites available at the Airport and Mr. DeGraw replied affirmatively. Mr. DeGraw then suggested that Mr. Emmens visit the Airport and tour the property available for lease in order to make an informed decision as to how he would proceed, subsequently returning to the Committee to advise them of his decision and possibly to request a land lease. The Committee, and Mr. Emmens, agreed that Mr. DeGraw's suggestion was the best course of action. Mr. Emmens added that he would like to review the property in further consideration of both options which would allow him to either build a t-hangar solely for his personal use or to partner with another group in developing a multiple t-hangar

structure for rental purposes.

Rich Schermerhorn, FBO, stated that he was in support of longer terms for Airport property leases and he was sure that the other parties involved with land leases at the Airport would be also. In addition, Mr. Schermerhorn said that he had met with Mr. Emmens for the first time that day and was interested in discussing the t-hangar project further with him to determine if there was the possibility of a joint venture between the two of them.

Mr. Emmens thanked the Committee for the opportunity to address them. He and Mr. Clements left the meeting at 11:34 a.m.

Resuming the agenda review with Item 3, Mr. DeGraw presented a request to authorize the Chairman of the Board to execute Change Order No. 1 for the Runway 12-30 Rehabilitation and Safety Area Improvement Project, No. H279.9550 280. He explained that the change order was in the amount of \$30,817.98 and had been issued by Kubricky Construction Corp. for changes in estimated quantities and other unforeseen changes incurred during construction. Mr. DeGraw stated that the funds necessary to support the change order were available within the grant associated with the Project.

Motion was made by Mr. Tessier, seconded by Mr. Taylor and carried unanimously to approve the request as outlined above and the necessary resolution was authorized for the February 20th Board meeting. *A copy of the request is on file with the minutes.*

Mr. DeGraw stated that Agenda Item 4 pertained to a travel request for two members of the Airport maintenance staff to attend the International Aviation Snow Symposium training seminar in Buffalo, NY on April 26th - 30th. He noted that the cost for both attendees would be approximately \$1,970 and the funds were included within the existing 2009 Budget.

Hal Payne, Commissioner of Administrative & Fiscal Services, pointed out that Airport staff members were authorized to travel to this event each year and he asked if either of the 2009 attendees had ever attended before. Mr. DeGraw replied in the negative, noting that one of the staff members had been employed by the County for 18 years. Mr. DeGraw then pointed out that the room rate charged was \$20 more than the GSA (Government Services Administration) approved room rate, which might require additional Committee authorization. Mr. Payne counseled that a similar instance had occurred in relation to another Department's travel accommodations and upon contacting the lodging facility and explaining the issue, the room rate was decreased to meet the GSA rate. He stated that if Mr. DeGraw followed the same course of action in contacting the lodging facility, he was sure that they would reduce the rate to meet the GSA standards.

Motion was made by Mr. Champagne, seconded by Mr. Stec and carried unanimously to approve the travel request as outlined above. *A copy of the Authorization to Attend Meeting or Convention form is on file with the minutes.*

Agenda Item 5, Mr. DeGraw apprised, referred to a second travel request to authorize himself to attend the FAA 32nd Annual Airport Conference in Hershey, PA on March 4th. He said he estimated the total cost of the travel to be \$524, which was available within the existing 2009 Budget. Mr. DeGraw stated that, once again, the room rate given to him was higher than the GSA approved rate and that he would contact the lodging facility to request that the rate be reduced. He noted that his attendance at the Conference was important because he had yet to personally meet any of the FAA personnel that he had been working with to secure grant funding. Mr. DeGraw said his attendance would allow him to meet with the FAA personnel and make connections that would assist in planning a future for the Airport, as well as to gain grant funding.

Motion was made by Mr. Stec, seconded by Mr. Taylor and carried unanimously to approve the request for out-of-State travel as outlined above and the necessary resolution was authorized for the February 20th Board meeting. *A copy of the Authorization to Attend Meeting or Convention form is on file with the minutes.*

Mr. DeGraw said that Agenda Item 6 consisted of informational updates on the two State grant funded projects progressing at the Airport which were the Security, Lighting and Fencing Project and the Construction of a Taxiway for Hangar Development Project. He explained that the RFPs (Request for Proposal) for both projects had been released and responses should be received in the near future and construction would begin shortly thereafter. Mr. DeGraw stated that the Security Lighting and Fencing Project included complete security lighting on the ramp area and would complete the efforts to fence the entire Airport while including some safety upgrades. As for the Construction of a Taxiway for Hangar Development, he advised that almost all of the property available with access to the runways had already been reserved for t-hangar construction and the new taxiway would allow access to the remaining areas for development and construction of additional t-hangars.

Continuing to Agenda Item 7, Mr. DeGraw apprised that the five-year terms for the two consultant groups currently working at the Airport, Stantec Consulting Group, Inc. and C&S Engineers, Inc., were drawing to a close. He said that they had issued Requests for Qualifications in order to secure new contracts and he expected to receive recommendations on the consultants that would serve the Airport for the next five-year term shortly.

Mr. DeGraw said that Agenda Item 8 was an update on the progress of the newly appointed FBO, Rich Air, and he asked Mr. Schermerhorn to address this item. Mr. Schermerhorn said that to date everything had proceeded fantastically. He advised that the Airport had been busy, with three weekends of the month of January being extremely busy with air traffic; he added that he had made personal contact with about 98% of the visiting pilots during that time. Mr. Schermerhorn said that he had retained two members of the prior FBO's mechanic staff each of whom had worked at the Airport for 19-20 years, an arrangement that had worked out well and had allowed them to continue to provide annual aircraft inspections for many of the returning local and visiting pilots. He added that he had acquired some of the staff previously employed by the Albany Airport FBO who were already skill qualified and had previously received much of their required training.

Mr. Schermerhorn apprised that by advertising the availability of space in one of his larger t-hangars he had immediately received seven new base customers who were very happy with the Warren County Airport. He said that although the improvements to the Terminal had been quite difficult to implement during the day and on the weekends due to visitor traffic, they were progressing and he had already exceeded the obligations included in the FBO contract. Mr. Schermerhorn stated that he was very excited to invite all of the Supervisors to tour the facility and see all of the renovations he had made and would arrange for the tour in two to three weeks when the renovations were complete. He noted that new wallpaper, tile and countertops had been installed in the Terminal and a new Corporate Pilot Lounge had been constructed on the second level. Mr. Schermerhorn stated that the Corporate Pilot Lounge, which had been used quite frequently since its completion, boasted reclining chairs and televisions to encouraged the pilots to relax, and even sleep, while visiting the Lounge. All new furniture had been purchased for the Terminal, he advised, which was expected to arrive mid-February; Mr. Schermerhorn added that the seating area in the Terminal had been expanded to allow for additional seating as the Airport restaurant was quite a large draw not only for fliers, but also for the general public.

Mr. Schermerhorn stated that he and Mr. DeGraw had developed a wonderful working relationship and he noted that he had attempted to immediately provide Mr. DeGraw with anything he requested, although he admitted that those requests had been minimal. He then commended the County staff that plowed the runways at the Airport, apprising of an instance during a recent snowstorm in which they had actually cleared the runway as a plane was

landing at the Airport allowing the pilot to drop off his passenger and return to his home base in Buffalo, NY on schedule. Mr. Schermerhorn said that the pilot had been suitably impressed with the efforts taken in preparing the runway for his arrival and thanked everyone involved over the radio, applauding them on their efforts. He added his feeling that the County staff working at the Airport did an outstanding job.

While 98% of Airport patrons seemed pleased with his efforts, Mr. Schermerhorn stated that there were some who were not happy and he continued to try and appease those people. He said that one of the complaints he had received was that he had not provided sufficient notice for changes in t-hangar rental rates. Mr. Schermerhorn noted that the reason for the lack of information was that he had not received a listing of patrons when beginning his term as FBO and had reached most through information relayed by Airport employees and locals patrons. He explained that the t-hangar rates had been changed to establish a median rate which would be fair for all renters as previously the rates had varied from \$200 to \$350.

Chairman Monroe stated that he had received an email from someone complaining about an employee of the previous FBO that had been retained by Mr. Schermerhorn and subsequently terminated. Mr. Schermerhorn said that he was aware of the complaint and he explained that he had hired a person previously employed by the former FBO on a trial basis; he added that although that person had provided excellent service, he had greater expectations from this person which were not met. He stated that he and this employee had met to discuss the matter and had decided mutually that the person would not continue his employment with Rich Air. Mr. Schermerhorn said that there were no hard feelings between himself and this person as they knew each other outside of their FBO relationship and he did not understand why there would be any complaint on this issue.

Mr. Belden commented that he had received a phone call commending Mr. Schermerhorn for his efforts in improving the Airport, as well as for the decrease in fuel prices that he'd orchestrated. He added that he was excited to visit the Airport and view the improvements that had been made.

Mr. Champagne questioned the status of the self-fueling facility that Mr. Schermerhorn had promised to implement at the Airport. Mr. Schermerhorn apprised that the plans for the project had been sent to a second consultant for review and he planned to begin construction as soon as the ground thawed; he added that he hoped to have the self-fueling facility in place and fully functional by May. Mr. Schermerhorn stated that he felt the self-fueling facility would be beneficial to the Airport and would be used frequently as there were many pilots who were willing to fuel their own planes in order to partake of the reduced fuel costs that would be offered.

Mr. Schermerhorn advised that as per his commitment to the County, he had purchased brand new equipment for use throughout the Airport, all of which had been purchased outright and had not been financed. He said he was very committed in his role as FBO and looked beyond his ten-year FBO contract to what he hoped would be a longstanding relationship with the County as their chosen FBO for future contracts. Mr. Schermerhorn apprised that he had recently received contact from an investment banker based in Texas who had a home in Saratoga Springs. Apparently the gentleman was dissatisfied with the service he had been receiving at the Albany Airport and was looking for another airport to house his two very large aircrafts, he stated. Mr. Schermerhorn said that subsequent to their discussions, the gentleman had decided to begin using the Warren County Airport and would be landing and housing his Gulf Stream and Lear Jet aircrafts at the Airport when visiting the area. He noted that because the Gulf Stream was the largest private aircraft that could be purchased and his current t-hangars were not quite large enough to house it, he would be addressing the Committee in the near future with requests to construct another t-hangar that would be larger than those he had constructed previously in order to accommodate this new client. Mr. Schermerhorn further noted that on his first day working at the Airport he had met the owner of The Sagamore Resort and they had discussed business in the area and the possibility of his housing an aircraft at the

Airport also. He added that the contacts he had made were not only good for his FBO, but also for the area in general.

Mr. Tessier said that he had visited the Airport several times since Mr. Schermerhorn had assumed the role of FBO and there had been tremendous change since that time. He said he recommended that a meeting be held at the Airport to allow the Committee members to view the changes that had been made. Mr. Tessier noted that regardless of the public opposition to Mr. Schermerhorn's company being chosen as FBO, he felt that the right decision had been made.

Discussion ensued.

Concluding the review of the New Business portion of the agenda with Item 9, Mr. DeGraw apprised that a member of his staff, Mike Bourdeau, would be retiring from the County in February after 26 years of service. He added that Mr. Bourdeau had been an asset to the County and to his staff. William Lamy, Superintendent of Public Works, noted that Mr. Bourdeau's position was one that they had reviewed with the Chairmen of the Finance, Personnel and Public Works Committees, as well as the Budget Officer, to determine if it should be immediately filled. He said it was much to Mr. DeGraw's chagrin that the determination had been made not to fill the position with the understanding that a portion of the money available for the position might be needed during the summer season to hire temporary help for mowing at the Airport. Mr. Lamy said that as per the advisement of the Board of Supervisors, all Department Heads had been directed to closely review positions to determine their necessity as they became vacant in an effort to save costs; he added that they would not be able to determine what positions were absolutely necessary to the operation of the Airport unless they attempted to operate without them.

Proceeding to the Old Business portion of the agenda, Mr. DeGraw advised that Item 10 referred to the status of brush cutting at the Airport. He said that with the use of the forestry mower, which had been dubbed the "Iron Goat", they had made progress in addressing the brush problem at the Airport. Mr. DeGraw said the FAA's annual inspection had been made in December and they had been very pleased with the efforts Airport staff had made in removing the brush the FAA had previously cited as a problem. He further noted that they were taking advantage of the frozen ground to cut brush in normally unreachable areas. Mr. DeGraw distributed photographs of the Airport reflecting the brush cutting work, which he reviewed with the Committee; *copies of the photos are on file with the minutes.*

Mr. Champagne questioned if the forestry mower could be used for brush cutting along County highways and Mr. Lamy replied that it could not because the County right-of-way was not wide enough. Mr. DeGraw added that total destruction was caused by the forestry mower and that waste created was not directed as it would be by a wood chipper, but was rather somewhat uncontrolled. Mr. Lamy advised that they continued to review Public Works projects to determine other areas where the forestry mower could be used.

Mr. DeGraw announced that the final agenda item pertained to the listing of referral items pending from prior Committee meetings which he detailed as follows:

1. Mr. DeGraw advised that he had no update regarding the Committee authorization for legal action to determine the validity of an easement on the Chartrand Parcel;
2. A decision on the appointment to the vacant position on the NYSAC (New York State Association of Counties) Public Safety Committee had yet to be made Mr. DeGraw said;
3. Regarding round two State grant funding for the Self-Fueling Station Project at the Airport, Mr. DeGraw stated that Mr. Schermerhorn would be completing the Project in the spring at his cost with no County contribution and the grant would be closed out at that point.

Mr. Lamy said he had two items to present that were not included on the agenda, the first of which was a request for an executive session to discuss the employment history of a particular individual.

Motion was made by Mr. Champagne, seconded by Mr. Stec and carried unanimously to declare an executive session to discuss the employment history of a particular individual pursuant to Section 105(f) of the Public Officers Law.

Executive session was declared from 12:02 p.m. to 12:13 p.m.

Upon reconvening, Mr. Lamy distributed information pertaining to the Information System Manager position that he sought to fill. The information included a Notice of Intent to Fill Vacant Position form and an outline of the duties required for the position, as well as a justification for the filling of the position, which he read aloud; *copies of the documentation are on file with the minutes*. Mr. Lamy said that he envisioned a change in the primary focus of the position and had yet to determine the exact title and salary to be assigned. He added that he had a lot of work to do in making these determinations and hoped to have the information finalized prior to the upcoming Personnel Committee meeting at which the position would be presented for approval once again. Mr. Lamy noted that if he did not have all of the information in order prior to the Personnel Committee meeting he would withdraw the request and re-present it at the next month's Public Works and Personnel Committee meetings. He advised that the position would assume some of the existing workload while addressing the management of the fuel farm system, which would comprise the bulk of the position's workload.

Mr. Champagne said he was agreeable to Mr. Lamy's decision to reconfigure the duties of the position, but asked that Mr. Lamy develop an organizational chart reflecting the placement of the position in relation to the other existing positions to reflect what he was trying to accomplish.

Mr. Lamy stated that an entry level person with computer and technical skills could assume control of the fuel system with proper supervision. He said that the second section of the Roles and Responsibilities document he had distributed reflected the daily duties associated with the fuel management aspect of the position. Mr. Lamy advised that he could fill the position with an entry level person and save money in the long run, although he might have to discuss the changes with Robert Metthe, Director of Information Technology (IT), to determine if enhanced IT capabilities would be required within his Department.

Mr. Belden pointed out that the Notice of Intent to Fill Vacant Position form reflected a base salary of \$41,698 for the Information System Manager position. Mr. Lamy advised that he would prefer that the position be reclassified to lower the pay grade level and he noted that a Sr. Engineering Technician, which was an entry level engineering position that would receive a salary in the \$30,000 range, was more appropriate. He added that reducing the grade associated with the position would save money as the previous occupant had received a salary of approximately \$45,000.

Mr. Belden asked if the position would be within the bargaining unit and Mr. Lamy replied that if the Sr. Engineering Technician title was used it would be. He added that he would speak with Rich Kelly, Personnel Officer, and Todd Lunt, Director of Human Resources, to determine what options were available in reclassifying the position. Mr. Lamy explained that by using an engineering title for the position he would have more flexibility in managing the workload associated with the engineering positions as the holder of the new position could reasonably handle some of the backlog of work currently in place if the duties assigned to the position were not sufficient.

Mr. Geraghty noted that a large portion of the position's duties seemed to be clerical and might be controlled

through the use of an advanced technology system; he then questioned if the position could be filled by a Clerk who would be paid a much lower salary. Mr. Lamy replied that the work required was actually much more than a Clerk was qualified to handle as the job duties involved mathematical modeling, analyzing and decision making skills.

Subsequent to further discussion on the matter, motion was made by Mr. Stec, seconded by Mr. Tessier and carried unanimously to approve the request to fill the position of Information System Manager, base salary \$41,698, and refer same to the Personnel Committee. *A copy of the Notice of Intent to Fill Vacant Position form is on file with the minutes.*

Mr. Lamy then presented a request to approve a change order in the amount of \$19,177.08 in connection with the Hague portion of the Warren County Sewer Project. He reminded the Committee that they had previously approved this change request at the January 27th Committee meeting; however, he said, the previous request had been for a \$10,077.08 change order which was incorrect due to a mathematical error on his part. Mr. Lamy stated that the change order should have been for \$19,177.08 and Committee approval was required to approve the correct amount.

Mr. Belden stated his displeasure with the change order as he felt it was the responsibility of the Project Engineers to provide the services included in their contract for the costs initially indicated.

Mr. Lamy explained that when they entered into the Sewer Project the cost plus fixed fee contract terms dictated by the EPA (Environmental Protection Agency) and the Federal Aid Process had been used, as they were for all Capital Projects. At that time, he said, they had negotiated the appropriate number of hours to provide services, recognizing that there may be times when those estimates or assumptions were not realized. In cases where the assumptions were not valid, Mr. Lamy advised that there was a process available to revise the engineering agreements based on the actual hours necessary to complete the task. He added that the documents were then reviewed and discussed prior to an extra work authorization being submitted. Mr. Lamy stated that he had reviewed the contracts extensively, noting the assumptions, fees charged and other issues included in the extra work authorization but could not find anything certifying that the work in question was included in the original contract which would force the Project Engineer to provide the services for the price previously dictated.

Some of these issues addressed in the extra work authorization had been anticipated as they were brought to the County's attention before the construction bids for the Project were released, Mr. Lamy stated. He apprised that at the time the need for changes in the system were noted, they decided not to include them in the engineering drawings and specifications because if they were altered at that time, an extra work authorization would be required and they would be subject to the regulatory review process which would have delayed the release of the construction bids, elongating the duration of the Project. Mr. Lamy said that it had been decided that the construction bids would be released based on the drawings that they had at the time with the understanding that they would deal with the extra work authorization when it was required.

Mr. Belden cited that problems with the pump house portion of the Project had been caused because a 2.5 inch pipe had been used rather than a 3 inch pipe. He noted that once the pipe had been changed, by Town of Hague employees, there had been no other issues with the pump house. Mr. Belden added that he felt this was an issue ultimately caused by the Project Engineers because the wrong size pipe had initially been used. Mr. Lamy then reminded the Committee that part of the Project design had been to use the existing sewer system in an effort to demonstrate to the EPA that they had not abandoned the initial project funded by EPA grant funds. He added that if it appeared that the initial EPA funded project had been abandoned, they would require repayment of the funds previously granted.

Mr. Champagne questioned if the change order amount would be funded by the County and Mr. Lamy replied that the inter-municipal agreement between the County and the Town of Hague limited the County contribution to the Sewer Project to \$3,160,000, while the Town of Hague had borrowed \$2.8 million for their contribution. Mr. Lamy stated that the project included contingency monies to fund change orders and there were also additional funds available within the Project as the result of a change order for directional drilling which was less than the original bid amount. He said that if the contingency and additional funds available within the Project totaled more than the \$19,177.08 change order, the amount would be paid with existing Project funds, in the event that additional funds were not available, the Town of Hague would have to borrow additional funds to facilitate the change order costs.

Subsequent to further discussion on the matter, motion was made by Mr. Champagne, seconded by Mr. Bentley and carried unanimously to approve the request to extend the existing contract with Clough, Harbour and Associates in the amount of \$19,177.08 in connection with the Warren County Sewer Project and the necessary resolution was approved for the February 20th Board meeting. *A copy of the request is on file with the minutes.*

As there was no further business to come before the Public Works Committee, on motion made by Mr. Stec and seconded by Mr. Tessier, Mr. Belden adjourned the meeting at 12:41 a.m.

Respectfully submitted,
Amanda Allen, Sr. Legislative Office Specialist